



General Government Division

B-274543

April 28, 1998

The Honorable Carl Levin
Ranking Minority Member
Subcommittee on International Security, Proliferation
and Federal Services
Committee on Governmental Affairs
United States Senate

Subject: Comparison of Lobbyists' Registrations

Dear Senator Levin:

You asked us to compare the number of organizations and individuals registered at any time during calendar year 1995 under the Federal Regulation of Lobbying Act of 1946 and registered or identified at any time during calendar year 1996 under the Lobbying Disclosure Act of 1995. The 1995 act repealed the 1946 act and went into effect January 1, 1996. In addition to providing an overall summary of registrations under the two acts, our objectives were to determine the number of organizations and individuals that (1) were registered under the 1995 act but not under the 1946 act or (2) were registered under the 1946 act but not under the 1995 act.

Under the 1946 act, individuals, whether employed by an organization to lobby or self-employed, could be registered as lobbyists. The 1995 act changed the way lobbyists, particularly employees of organizations that engage in lobbying activity and self-employed lobbyists, are to be registered and identified. Under the 1995 act, both (1) self-employed lobbyists and (2) lobbying firms and organizations, such as corporations and associations that employ in-house lobbyists, are to register as organizations and report their lobbying activities to the Secretary of the Senate and the Clerk of the House. These firms or organizations are further required to identify the names of individuals who are expected to act as lobbyists. Because of the differences in the way the acts require that lobbyists register or be identified, it is difficult to make a

direct comparison between lobbyists who registered as individuals under the 1946 act and those individuals registered or identified under the 1995 act.¹ We previously provided information on the total numbers of organizations and individuals registered or identified as lobbyists as of December 31, 1995, under the 1946 act and as of June 17, 1996,² under the 1995 act. This letter updates and adds to that information.

RESULTS

Overall, almost two-and-a-half times as many organizations and individuals were registered or identified under the 1995 act compared with those who had been registered under the 1946 act. We found that 10,612 organizations and individuals registered under the 1995 act who had not been previously registered under the 1946 act. We also found that 1,863 lobbyists who had been registered under the 1946 act did not register under the 1995 act. Table 1 shows a breakdown of organizations, self-employed lobbyists, and individuals who were registered or identified as lobbyists under either act.

¹In addition to changes in the manner in which organizations, self-employed lobbyists, and individuals are to be registered and identified, the 1995 act contains changes in other areas that may affect the number of registrations. These changes include adding the definitions of the terms "lobbying activities" and "lobbyist."

²Lobbyists' Registrations (GAO/GGD-97-11R, Oct. 23, 1996).

Table 1: Number of Registered or Identified Lobbyists Under the Two Acts

Lobbyists	Under 1946 act (1995 data)	Under 1995 act (1996 data)	Lobbyists newly registered under 1995 act (1996 data)	Lobbyists registered in 1995 but not registered in 1996 ^a (1995 and 1996 data)
Organizations	1,299	2,943	2,128	480
Self-employed	^b	644	397	^b
Individuals	4,779 ^c	11,325	8,087	1,383 ^c
Total	6,078	14,912	10,612	1,863

Note 1: Although we had to exercise judgment in deriving these numbers, we believe that the numbers presented are materially accurate.

Note 2: The 1995 act data include lobbyists registered or identified at any time during calendar year 1996.

Note 3: The 1946 act data include lobbyists registered at any time during calendar year 1995.

^aThis column provides information on those registered in 1995 under the Federal Regulation of Lobbying Act of 1946 but not registered or identified in 1996 under the Lobbying Disclosure Act of 1995.

^bBecause both employees of organizations and self-employed lobbyists could register as individuals under the 1946 act, it is not possible to determine how many of the individuals registered as lobbyists under that act were self-employed.

^cThis number includes any self-employed lobbyists.

Source: GAO analysis of Secretary of the Senate data.

SCOPE AND METHODOLOGY

To compare the number of organizations and individuals registered under the 1946 act with those registered and identified under the 1995 act, we obtained from the Secretary of the Senate an electronic database of the 1995 registered lobbyists (i.e., those registered under the 1946 act) and another database of the 1996 registered and identified lobbyists (i.e., those registered under the 1995 act). We did not independently verify the electronic databases against actual registration forms with the Secretary of the Senate. As was the case in our previous letter on this subject, it was

not within our scope to determine reasons for the differences in the number of registered or identified lobbyists.

Because there were no unique identifiers for individuals or organizations that were consistent across these two databases, we used a computer program to perform a character-to-character match on fields containing names of individuals and organizations registered under both acts. The databases for both acts contained multiple records for individuals and/or organizations representing different clients. After performing a computer match to identify unique individuals and organizations contained in databases compiled under the authority of the 1946 and 1995 acts, we printed a list of these records and manually checked them for variations in such characteristics as names, abbreviations, and mistyped entries.

Since we first used a character-to-character matching program to identify matches, we knew that some actual matches would not be identified due to slight variations in the way data were entered in the Secretary's databases. Therefore, we edited the 1995 database to correct misspellings and variations in usage of abbreviations and punctuation. These variations included similar names entered in the database that could represent the same person, such as "Jim" and "James"; the use of an abbreviation, such as "XYZ Assn." and "XYZ Association"; and a mistyped entry, such as "Acme Corporation" and "Acne Corporation." We then eliminated duplicate listings. We determined whether the registrant was an individual or an organization solely on the basis of the registrant's name in the database. We did not categorize self-employed lobbyists because the 1995 database did not and was not expected to contain information on whether a lobbyist was self-employed or employed by an organization. We based our count of lobbyists registered under the 1946 act on this edited 1995 database.

We also edited the 1996 database to eliminate duplicate names of registered organizations, including self-employed lobbyists, and identified employees, thereby counting each organization, employee, and self-employed lobbyist only once. Although arriving at approximations of the number of organizations and individuals for each period was possible, without unique identifiers determining precise counts was not feasible.

Following the initial categorization, up to four additional reviews of the coding were done. When the initial categorization did not produce a match, we reviewed the other information on the names to determine if two names referred to the same individual or organization. Finally, we designated each name as: (1) unique to the 1946 act, (2) unique to the 1995 act, or (3) present in both acts.

We defined self-employed lobbyists as those lobbyists for which the names of the registrant and the identified employee were identical or, using our best judgment involving common American naming conventions, were the same. In addition, we classified the registrant as self-employed when the name of the registrant and the identified employee were similar and only one lobbyist was listed for that registrant.

Although the numbers contained in table 1 were derived with the use of judgment as described above, we believe them to be materially accurate.

We conducted our review from August 1997 through March 1998 in accordance with generally accepted government auditing standards. We submitted a draft of this letter to the Secretary of the Senate for review and comment on April 8, 1998. The Secretary had no comment.

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As agreed with your office, we plan no further distribution of this letter until 30 days after its issuance, unless you publicly release its contents earlier. We will then send copies to the Chairman of the Subcommittee; the Secretary of the Senate; the Chairman and the Ranking Minority Member of the Committee on Governmental Affairs; the Chairman and Ranking Minority Member of the Subcommittee on the Constitution, House Committee on the Judiciary; and the Clerk of the House. We also will make copies available to others upon request.

Major contributors to this letter were James W. Turkett, Evaluator-in-Charge, and Terry Draver, Project Manager. If you have any questions, please call me on (202) 512-8676.

Sincerely yours,

A handwritten signature in black ink, appearing to read "L. Nye Stevens". The signature is fluid and cursive, with the first name "L." and last name "Stevens" clearly distinguishable.

L. Nye Stevens
Director, Federal Management
and Workforce Issues

(410182)

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